

SUPPLEMENT TO Manning Times

MANNING, S. C., WEDNESDAY, JANUARY 9, 1901.

GOVERNOR MCSWEENEY'S SECOND ANNUAL MESSAGE.

Reviews Conditions in South Carolina and Recommends Legislation Deemed Desirable.

THE STATE'S INDUSTRIAL PROGRESS IS MOST NOTABLE FEATURE OF YEAR.

All the State Institutions Are Reported in Excellent Condition and the Treasury Department Has Borrowed No Money—The Cause of the Common Schools is Strongly Urged Upon the People's Representatives.

Gentlemen of the General Assembly:

It is gratifying to me to welcome you as the representatives of the people under such favorable conditions. You come as the first Legislature to assemble in South Carolina in the new century. The Nineteenth century has been one of marked progress and development in all the arts and sciences, and it contains lessons which we may learn with profit to ourselves and which may be of use to us in legislating for the future. Those who constituted the first Legislature one hundred years ago little dreamed of the advance in all lines of industry and of the discoveries and inventions which have signalized the century just passed into history. We cannot realize or even conceive the advances that will be made during this century upon which we are entering. There seems to be almost no limit to the achievements of the human mind. It is for us to contribute our part to make the world better and happier by our having lived in it and to leave to our children a goodly heritage and a name untarnished. It is your privilege to meet and to counsel with one another and to consider and enact such laws as will be of benefit not only to the present but to the future growth and development of this grand old commonwealth.

The march of material progress and the development of the State, to which I had the pleasure to refer one year ago in greeting the members of the Legislature, has kept up with steady and sure step. The business depression through which the people had passed and which was almost unprecedented seems to have been followed by a revival which is touching all branches of industry. The increased price which our farmers have received for their staple crop makes large amend for the falling off in the yield. Our farmers are learning the importance of diversified farming and in consequence are becoming more independent.

You need no better evidence of the progress and prosperity of the State than that presented in the figures contained in the annual report of the Secretary of State. From this report it will be seen that approximately fifteen million dollars were invested the past year in South Carolina companies; and while a large proportion of it is in cotton mill building, yet many smaller manufacturing enterprises and industries have been organized.

New manufactories continue to go up and we are no longer simply an agricultural people but are fast becoming as well a manufacturing State. We now lead all Southern States in the manufacture of cotton goods and are second only to Massachusetts in the number of spindles, and at the present rate of progress will soon lead all the States in the Union in this important branch of industry. It is well to keep this fact in mind as you deliberate.

Taxable values have increased \$4,245,695 during the past year, as will be seen from the Comptroller General's report, but the increase is not near as large as it should be or would be if our system of assessment and taxation were so revised and amended as to have placed on the tax books all the property of the State now escaping taxation and if that which is assessed were equitably assessed.

Peace and good order have characterized our people during the past year. We have not been visited by plague or pestilence and no resort to mob violence has marred the record or stained the fair name of the State, though in one or two cases the strong arm of the military had to be called into requisition, but the majesty of the law was maintained and no blood was shed. In one case there was strong provocation for summary justice, but with the assistance of the military the culprits were protected, lawlessness was prevented, and through the ordinary channels of the Courts stern justice will be administered and the penalty paid.

You as the chosen representatives of the people should guard with jealous eye their interests and welfare which have been committed to your keeping, remembering always the responsibility which rests upon you.

FINANCES.

I take pleasure in calling attention to the very creditable showing which the Treasury Department will be able to make as to the financial transactions of that department for the fiscal year closing December 31, 1900, as will appear from the statement of receipts and disbursements below. The Treasurer, by his strict attention to duty, and the uniform courtesy with which he has treated all parties having business relations with his department, deserves high commenda-

tion and I feel quite sure that he will receive in retiring from the office, which he has so worthily filled, the hearty well-done of all the people of the State.

Cash Receipts for year ending December 31st, 1900.

Cash balance, Dec. 31, 1899.....	\$ 508,875 65
Back Taxes.....	1,071 63
General Taxes 1899.....	606,510 91
General Taxes, 1900.....	292,476 69
Railroad Assessments for R. R. Commissioners.....	10,381 64
Income Tax.....	1,660 07
Annual Insurance License Fee.....	13,100 00
Graduated Insurance License Fees.....	11,877 99
Fees, Office Secretary State.....	9,450 22
State Penitentiary.....	10,000 00
Privilege Fertilizer Tax.....	75,214 34
Commissioners Sinking Fund.....	44,029 00
Sinking Fund for Reduction Brown 4 1/2 per cents:	

Loans returned.....	\$91,241 50
Interest on loans and deposits.....	17,995 84
Phosphate royalty.....	23,475 01
	132,712 35

Permanent State School Fund:	
Interest account.....	2,225 99
Principal (escheats).....	277 32
	2,503 31

Special State School Fund (Dispensary).	100,000 00
Morrill Fund from U. S. Government....	25,000 00
Insurance Sinking Fund (public buildings).....	73 75
Incorporation Fees.....	60 00
Dispensary, S. C.....	1,913,069 76
Refunds—sundry accounts.....	2,384 70
	\$3,760,452 01

Cash Payments for Year Ending December 31, 1900.

Salaries.....	\$ 148,731 50
Legislative Expenses.....	40,895 77
Education, Charitable and Penal Institutions.....	274,606 23
Pensions.....	100,815 71
State Special School Fund.....	100,684 51
Interest on Bonds and Stock.....	273,456 59
Sinking Fund for Reduction Brown 4 1/2 per cents:—Loans.....	70,600 00
Commissioners Sinking Fund.....	42,048 18
Clemson College:	

Privilege Fertilizer Tax.....	\$70,114 51
Interest Land Scrip and Permanent Fund.....	9,266 36
Morrill Fund.....	12,500 00
	91,880 87

State Col. Nor., Ind., Agr. and Mech. College:	
Morrill Fund.....	12,866 23
Interest Land Scrip.....	5,754 00
	18,620 23

Public Printing.....	11,258 62
Election Expenses.....	19,248 88
Quarantining State.....	10,234 11
Erecting Monument at Chickamauga....	5,392 15
Permanent State School Fund.....	2,320 00
Direct Tax Proceeds—Act of 1884.....	1,116 90
Miscellaneous Accounts.....	43,470 82
Dispensary, S. C..	

Account proper.....	\$1,779,631 98
Transferred to School Fund.....	100,000 00
	1,879,631 98

Cash Balance, December 31, 1900.....	625,438 96
	\$3,760,452 01

	18,799 62
	19,248 88
	10,234 11
	5,392 15
	2,320 00
	1,116 90
	43,470 82
	\$1,779,631 98
	100,000 00
	1,879,631 98
	625,438 96
	\$3,760,452 01

The claims of the United States Government against the State of South Carolina for the payment of which at one time the State was seriously pressed and notice of suit given, are now in abeyance for want of authority to prosecute said claims in the Courts. And it is hoped that an equitable adjustment and settlement of the counter claims between this State and the United States will be effected by appropriate Congressional legislation which will be final, without the payment of any moneys by the State.

The State of South Carolina holds United States 4 per cent. bonds with interest payable quarterly to the amount of seventeen hundred dollars, which mature on July 1st, 1907. The State Treasurer received a circular letter from the Treasury Department at Washington, D. C., calling attention to Section 11 of an Act of Congress passed and approved March 14th, 1900, proposing to exchange these and similar bonds for two per cent. gold bonds. The Treasurer does not think that he has authority of law to surrender and exchange the bonds now held by the State. If the General Assembly should deem it advisable to make such exchange it would be necessary for special legislative authority to be given him.

At the close of each fiscal year, it is always a matter of anxiety and doubt to the Treasurer as to whether he will have at command funds to meet the January interest on the public debt and the current expenses of the State government. This state of affairs arises from the delay in collecting the State taxes under existing law. If the tax books were made to close on the 15th of December instead of the 31st of December, as is and has been the case for the last few years, this doubt and uncertainty would be removed and no one be oppressed thereby. It is well known that those most able to pay their taxes are generally the last to do so. Notwithstanding these drawbacks, we have been able to meet all demands against the Treasury without recourse to borrowing or over-drafts upon banks.

In my Annual Message to the last General Assembly I asked their attention to the condition of certain bonds to which mine had been called by the Treasurer, to wit: thirty-seven (37) bonds of \$1,000 each, issued by the State in 1859 in aid of the Blue Ridge Railroad, and which have heretofore been carried on the Treasurer's books as "Old Bonds Fundable," but which can now no longer be so carried. These bonds among others, it has been established in the Courts, were plundered and rifled from one of the old banks of this State—

known as the State Bank—by Sherman's army in its march through the State in 1865. Notice was immediately given of the loss of the bonds to the Treasurer, and that officer was cautioned not to recognize any one presenting them as the owner.

Under the Act of 1869 requiring the old banks to resume business or go into liquidation, the Attorney General of the State had this bank put into the hands of a receiver, and so the winding up of its affairs has been from that time under the direction of the Attorney General. Upon his motion in 1870 an injunction was issued enjoining the Treasurer from paying any of these bonds without the sanction of the Courts. All but the said thirty-seven bonds, or thirty-eight, for there seems to be some question as to one, have been from time to time recovered and funded, and the proceeds distributed under the direction of the Courts.

There have been several applications to the Legislature for leave to fund the said thirty-seven or thirty-eight bonds, and proceedings in the Courts were had for mandamus to require the Treasurer to do so without further action of the Legislature. In all of these the merits of the case have been thoroughly investigated, and the Courts have declared the bank the owner of the bonds, and its receiver the only person entitled to fund them. In the mandamus proceedings, in which all the judges in the State were called to sit en banc, (though all but two ultimately decided that the Treasurer was not authorized to fund without special action of the Legislature, two holding that he was and that the receiver was entitled to have the lost bonds funded without such action) the judges were unanimous as to the merits of the claim. Previous Legislatures have hesitated to allow the bonds to be funded, fearing that some one might possibly turn up with the bonds, and claim to own and fund them as an innocent holder. But as I pointed out last year this danger is now removed, as in this case the twenty years from maturity, during which these bonds might have been funded by the Treasurer upon their presentation and delivery to him by any such holder, expired on the 1st of July, 1899, and any such holder is now barred under the Act of 1896.

Under these circumstances, the claim of the bank to be allowed to renew and fund these bonds in my judgment is valid and just, and should be allowed. It is not denied that the State owes the bonds to some one—they are carried as part of the old debt of the State on the books of the Treasurer as owing to some one—the Courts have decreed the bank to be the owner—no one else can now claim them, as all persons but the bank are barred under the Act of 1896 from doing so. It seems to me that in the face of these facts it will be a little short of repudiation if we continue to refuse to allow the receiver of the bank to fund these bonds.

In some States, provision is made for the renewing of lost or destroyed bonds, without requiring action of the Legislature in specific cases; it might be wise in this State to make a similar provision, as the renewing of such lost evidence of indebtedness should be a matter of judicial rather than legislative inquiry and remedy; and for the further reason that everything which adds assurance to the creditor that he will be paid even though he loses the paper evidence of his debt adds to the credit of the State.

I have gone somewhat into the merits of this matter as I cannot but feel that the credit and honor of the State are now to some extent involved. I earnestly recommend it to the attention of the General Assembly as one upon which some action should be taken, for the bonds can no longer be carried on the Treasurer's books as "Old Bonds Fundable."

EDUCATION.

Not the least gratifying evidence of our progress is the remarkable awakening in all departments of education. At the beginning of the century just closed the civilized world knew no such thing as a State system of education; and in many quarters, until a comparatively recent date, the position of those who advocated free public education as a legitimate function of State government was stubbornly contested, the opposition in our State being largely due to peculiar racial and social conditions. State education is now the settled policy of our country, being recognized as both a function and a duty of the government; and it may well be questioned whether the nineteenth century has made a more important contribution to the cause of democracy and civilization. Since 1870 the public expenditure for common schools in the United States has nearly trebled, being now \$2.67 per capita of population, or an aggregate of \$200,000,000 annually. It is a principle now well recognized, that the safety of the government itself requires that it give its citizens the opportunity to fit themselves for an intelligent discharge of their duties to the State.

Encouraging reports come from the schools and colleges of our own State, indicating that they have entered upon an era of unexampled prosperity. And yet much remains to be done to increase the efficiency of our public schools. The first essential is teachers of high moral character and adequate professional equipment. Our teachers have better opportunities for professional training than ever before, and they show a higher average of intelligence and professional fitness; but they are too often poorly paid for their services, and the best results cannot be expected until the schools, instead of advertising for bids from teachers, offer adequate pay and demand good qualifications.

The complaint is made, and not unjustly, that our school system is not well articulated; that no provision has been made to fill the gap between the common school and the college, and that the college must therefore maintain a preparatory department. While it is true that very few of those who enter the common school ever reach the high school, and fewer still the college, yet those who desire to fit themselves for college should have the opportunity to do so in their own schools. This deficiency has been met in many of the towns, and in some of the country districts, by the erection of graded schools; but in most of the country schools inadequate preparatory training is offered. The result is that many of the country pupils who desire to compete for scholarships in the State colleges, or who desire to enter college, are at a manifest disadvantage, and must either employ some one to coach them, or must attend a preparatory school or graded school in town, at a considerable outlay for board and tuition.

The importance of levying an additional tax for the support of the country schools cannot be too strongly urged upon our people. This will enable them to employ competent teachers for longer terms; it will enable them to give their children elementary and preparatory training at home; and it will tend to check the abnormal flow of population from the country to the town; it will be beneficial from every point of view. While it is possible for the graded